

## WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

## 2009 Wisconsin Act 87 [2009 Assembly Bill 266]

## Career Services Resources for Employees Affected by Business Closing or Mass Layoff

Under *current law*, an employer that employs 50 or more individuals in the state must provide certain notices to affected employees, the Department of Workforce Development (DWD), and the affected municipality no later than 60 days before a "business closing" or "mass layoff," unless those events are the result of a strike or lockout. DWD must provide a copy of the notice to the Department of Commerce and the Office of the Commissioner of Insurance and cooperate with those agencies to provide assistance to the employer and affected employees, including information regarding health insurance options.

Current law defines "business closing" to mean "a permanent or temporary shutdown of an employment site or of one or more facilities or operating units at an employment site or within a single municipality that affects 25 or more employees, not including new or low-hour employees." "Mass layoff" means a workforce reduction that is not the result of a business closing and that affects employees, not including new or low-hour employees, at an employment site or within a municipality, in either of the following numbers:

- At least 25% of the employer's work force or 25 employees, whichever is greater.
- At least 500 employees.

2009 Wisconsin Act 87 makes several changes that relate to the notices issued prior to a business closing or mass layoff. Under Act 87, the notice to affected employees must include contact information for the local workforce development board that serves the area in which the employment site is located. Additionally, the Act permits the local workforce development board, if the board anticipates a business closing or mass layoff, to develop a list of career services resources available for affected employees. Additionally, if that list is available, the Act requires the initial notice from the employer to affected employees to include the list along with contact information for the local workforce development board.

Effective date: Act 87 took effect on December 16, 2009.

Prepared by: Scott Grosz, Staff Attorney

December 17, 2009

SG:wu

This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature's Web site at: <u>http://www.legis.state.wi.us/</u>.